

H.R.333

Disabled Veterans Tax Termination Act (Introduced in House)
HR 333 IH

111th CONGRESS
1st Session
H. R. 333

To amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability rated less than 50 percent to receive concurrent payment of both retired pay and veterans' disability compensation, to eliminate the phase-in period for concurrent receipt, to extend eligibility for concurrent receipt to chapter 61 disability retirees with less than 20 years of service, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

January 8, 2009

Mr. MARSHALL (for himself, Mr. JOHNSON of Georgia, Mr. BARROW, Mr. WESTMORELAND, Ms. SHEA-PORTER, Mr. TAYLOR, Mrs. GILLIBRAND, Mr. COURTNEY, Mr. MOORE of Kansas, Mr. BISHOP of Georgia, Mr. GOHMERT, Mr. BOUCHER, Mr. SCHIFF, Mr. DEFAZIO, Mr. BRADY of Pennsylvania, and Mr. MCINTYRE) introduced the following bill; which was referred to the Committee on Armed Services, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability rated less than 50 percent to receive concurrent payment of both retired pay and veterans' disability compensation, to eliminate the phase-in period for concurrent receipt, to extend eligibility for concurrent receipt to chapter 61 disability retirees with less than 20 years of service, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'Disabled Veterans Tax Termination Act'.

SEC. 2. CONCURRENT RECEIPT OF BOTH RETIRED PAY AND VETERANS' DISABILITY COMPENSATION FOR MILITARY RETIREES WITH COMPENSABLE SERVICE-CONNECTED DISABILITIES.

(a) Inclusion of Retirees With Service-Connected Disabilities Rated Less Than 50 Percent- Subsection (a) of section 1414 of title 10, United States Code, is amended--

(1) by striking 'Compensation' in the subsection heading and all that follows through 'Subject' and inserting 'Compensation- Subject';

(2) by striking 'qualifying service-connected disability' and inserting 'service-connected disability'; and

(3) by striking paragraph (2).

(b) Repeal of Phase-In of Concurrent Receipt of Retired Pay and Veterans' Disability Compensation- Such section is further amended--

(1) in subsection (a), as amended by subsection (a) of this section, by striking the final sentence;

(2) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively; and

(3) in subsection (d), as so redesignated, by striking paragraphs (3) and (4).

(c) Inclusion of Disability Retirees With Less Than 20 Years of Service- Subsection (b) of such section is amended--

(1) in paragraph (1), by striking 'member retired' and inserting 'qualified retiree who is retired'; and

(2) by striking paragraph (2) and inserting the following new paragraph:

'(2) DISABILITY RETIREES WITH LESS THAN 20 YEARS OF SERVICE- The retired pay of a qualified retiree who is retired under chapter 61 of this title with fewer than 20 years of creditable service is subject to reduction under sections 5304 and 5305 of title 38, but only by the amount (if any) by which the amount of the member's retired pay under such chapter exceeds the amount equal to 2 1/2 percent of the member's years of creditable service multiplied by the member's retired pay base under section 1406(b)(1) or 1407 of this title, whichever is applicable to the member.'

(d) Clerical Amendments-

(1) SECTION HEADING- The heading for such section is amended to read as follows:

'Sec. 1414. Members eligible for retired pay who are also eligible for veterans' disability compensation: concurrent payment of retired pay and disability compensation'.

(2) TABLE OF SECTIONS- The item relating to such section in the table of sections at the beginning of chapter 71 of such title is amended to read as follows:

'1414. Members eligible for retired pay who are also eligible for veterans' disability compensation: concurrent payment of retired pay and disability compensation.'

(e) Conforming Amendment- Section 1413a(f) of such title is amended by striking 'Subsection (d)' and inserting 'Subsection (c)'.

(f) Effective Date- The amendments made by this section shall take effect on the first day of the first month beginning after the date of the enactment of this Act and shall apply to payments for months beginning on or after that date.

SEC. 3. COMBAT-RELATED SPECIAL COMPENSATION TECHNICAL CORRECTIONS REGARDING AMOUNT OF MONTHLY PAYMENTS FOR CHAPTER 61 DISABILITY RETIREES.

(a) Technical Corrections- Section 1413a(b)(3) of title 10, United States Code, is amended--

(1) in subparagraph (A), by striking 'shall be reduced' and all that follows through 'exceeds'

and inserting `may not, when combined with the amount of retired pay payable to the retiree after any reduction under sections 5304 and 5305 of title 38, cause the total of such combined payment to exceed'; and

(2) in subparagraph (B), by striking `shall be reduced' and all that follows through `exceeds' and inserting `may not, when combined with the amount of retired pay payable to the retiree after any reduction under sections 5304 and 5305 of title 38, cause the total of such combined payment to exceed'.

(b) Effective Date- The amendments made by this section shall take effect on the first day of the first month beginning after the date of the enactment of this Act and shall apply to payments for months beginning on or after that date.

